

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### **Southerntier Custom Fabricators, Inc.**

#### **New York Manufacturing Extension Partnership**

#### **Southerntier Custom Fabricators, Inc. becomes Lean**

##### **Client Profile:**

Southerntier Custom Fabricators, Inc. (STCF) manufactures HVAC air handling systems and specialty fabrications for the commercial, educational/institutional, and industrial marketplace. The family-owned and operated business employs 140 people at its facility in Elmira, New York.

##### **Situation:**

STCF was interested in conducting a company-wide workplace organization and Lean pilot program in the Round Fabrication area. The Alliance for Manufacturing and Technology (AM&T), a division of the New York Manufacturing Extension Partnership and a NIST MEP network affiliate, provided a proposal to deliver a customized Lean training program. The objectives of the training were to improve workplace organization throughout the facility to improve productivity and pilot a Lean manufacturing initiative in the Round Fabrication area to improve profitability, productivity, and business processes as well as enable STCF to expand sales in this area. The company decided to go forward with the project after obtaining a New York State Department of Labor Training grant to help offset the cost of the training.

##### **Solution:**

AM&T's approach to achieve the objectives was to provide various training events. For workplace organization, AM&T delivered a 5S (Sort, Set in Order, Shine, Standardize, Sustain) Workplace Organization training session targeted to each area of the facility. For the Round Fabrication pilot program, AM&T delivered a full-day Principles of Lean Manufacturing Workshop to a number of Round Fabrication area employees, and conducted Value Stream Mapping, Cellular/Flow Manufacturing, Pull/Kanban training events for cross-functional team responsible for implementation. AM&T provided training in Basic Project Management to four key STCF employees. This was to increase employee knowledge of basic project management tools and techniques as well as advance their skills at applying the tools and techniques. STCF employees worked hard and shared great ideas throughout the process to implement new strategies. Even those who were not involved in the process have been amazed at the benefits realized. As a result of AM&T's assistance, STCF realized a 15 percent increase in usable shop space, decreased on hand inventory by 15 percent, and reduced turn-around time on standard orders from 7-10 days to 5-7 days. They also decreased their scrap output by approximately 5 percent and saw an increase in complete and on-time deliveries by 25 percent.

##### **Results:**

- \* Increased/retained sales of \$2.1 million.
- \* Realized \$170,000 in cost savings.
- \* Invested \$155,000 in capital improvements.

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\* Created/retained 50 jobs.

**Testimonial:**

"I would highly recommend working with AM&T to any manufacturing operation looking to improve their productivity."

Ian Morrell, President.